

QUICK TAKES FOR PAYMENT ACCURACY

Reacting to Changes October 2007

1. SR: Client is receiving FNS benefits for herself and three children. DSS8194 received from WF on 10/3. WF reports client has gone to work at McDonald's and job bonus will begin 11/1. Hours and rate of pay information was provided. What should the worker do?

- a. Take no action since the WF payment didn't change.
- b. Take action to include the new wages since WF acted by sending the WF case to job bonus.
- c. Evaluate and determine if wages from the new employment will put the HH over the gross income limit. If no, take no action. If yes, determine the impact of counting the wages.**

You must evaluate the impact of the new wages even though there wasn't a change in the WFFA payment amount to determine if the household exceeds the gross income limit. Although a categorically eligible HH is not subject to the gross income test – a manual test is necessary to determine if the change is reportable. If it is determined to be reportable, then the impact of counting the income must be evaluated. If the allotment decreases, do not act. If the case comes back indicating suspension because benefits are less than \$1 – initiate action to suspend. A two person categorically household is eligible for a minimum of \$10 so even if the change was determined to be reportable, we wouldn't act because it would cause a decrease.

Manual References: 450.05A1 & 3, 450.05B and 620.03D2 & 3
450.05 Changes During The Certification Period

A. React to the following changes during the certification period:

- 1. Income exceeds the gross income limit for the FSU size
- 3. A change in a WFFA payment amount. This includes new payments, changes in payments or the removal of payments.

B. Do not react to any other changes in situation

620.03 D. Allotments for Categorically Eligible Households

2. There is no minimum allotment for categorically eligible households with three or more members. Food Stamp budgeting procedures may determine these households ineligible for an allotment based on a zero allotment amount as determined by the FSU's income level.

3. If the household is ineligible for an allotment, the DSS-8590, Client Record, displays the following message: "Case suspended – Categorical eligibility – allotment less than \$1.00." Verify entries but do not close the case.

2. SR: DSS8194 received from WF reporting termination of WF based on client's request. A NOAA is pending to reduce the allotment due to receipt of a BENDEX reporting SSA benefits had been approved for one of the children. What should the worker do?

a. Void the NOAA, remove the WFFA income and send the case to transitional without including the SSA benefits.

b. Close the FNS case since the NOAA was sent prior to receipt of the DSS8194 from WF.

c. Close the FNS case since the HH is over the gross income limit.

Even though the NOAA has been sent, policy states to use the prior month's budget less the WF payment to determine the TFS benefit. The new income should not be budgeted. This is one of the exceptions that allows for a NOAA to be voided.

Manual Reference: 550.02B6 and 635.05D

550.02 Transitional FNS Benefits Eligibility

B. The following policies and procedures are important when transferring cases to TFS:

6. Do not budget new or increased income that made the FNSU ineligible for WFFA. Use the prior month's food stamp budget less the WFFA payment to determine the TFS benefit amount.

635.05 CANCELING OR VOIDING THE NOAA

Void Notices of Adverse Action only when:

D. A case is sent to Transitional Food Stamp Benefits.

3. SR: FNS HH reports that UIB benefits have been approved for the head of household. She also requests that her 10 year old nephew be added to the case. He moved into the home last week. He has no income and was not receiving FNS benefits. What should the worker do?

a. Evaluate the UIB to determine if it will put the HH over the gross income limit for the original FNS unit. If no, add the nephew since the UIB wasn't reportable. If yes, initiate action to close the case.

b. Determine the effect of including the UIB and adding the nephew. If the allotment increases, make the change. If the allotment decreases, take no action. If over the gross income limit for the new FNSU size, initiate action to close.

c. Add the nephew since the action would increase the allotment.

When multiple changes are reported, the cumulative effect of the changes determines what action is taken if any. Effective 2/1/07 – policy was revised to make changes reportable when a new HH member causes the household to exceed the gross income limit. Although the nephew in this situation has no income – it's important to assess the household and their relationship to each other. It's possible there are other non-FNSU members that may need to be considered based on household composition rules. For example, the client's brother who has been living in the home as a non-FNSU member is determined to be the father of the nephew – this would be a major factor in determining how to act.

Manual References: 450.04B Note, 450.05 A1 -2, 450.05B, 450.06B

450.04 County Responsibilities

Note: React to changes reported in person, by telephone, e-mail, or fax in the same manner as those reported on the DSS-8550SR, Change Report. The FSU is not required to confirm a verbal report in writing. Determine if the change effects the FNSU's eligibility or benefits. If multiple changes are reported on the same day, determine the cumulative effect and act accordingly.

450.05 Changes during the Certification Period

A. React to the following changes during the certification period:

1. Income exceeds the Food Stamp Program's gross income limit for the FSU size (130% of the poverty level);

2. A change that results in increased food stamp benefits; including deduction changes that were reported but could not be acted on while in Standard or Simplified recertification categories.

B. Do not react to any other changes in situation.

450.06 Reacting to Changes

B. Determine if the change affects eligibility or benefits.

Note: When a household reports a change in household composition, evaluate and determine:

1. The total number of people who live in the residence, their relationship to each other, and their ages; and

2. If the new individual is a required member; and

3. If any income of the new individual is countable; and

4. If the new gross income limit exceeds the income limit for the FSU size prior to the new individual; and

5. The new FSU size; and

6. The new gross income limit for the new FSU size; and

7. If the benefits will increase or terminate.

4. SR: Caseworker receives a call from another county requesting that a child be deleted from a case because the grandmother has come in to apply and he is now in her household. What should the worker do?

a. Advise the other county that removal of the child causes a decrease so the child cannot be deleted until recertification.

b. Initiate action by sending a NOAA to remove the child since another HH has applied for him.

c. Initiate action to remove the child since another HH has applied for him. A NOAA is not required.

There has been some confusion regarding these situations as to whether a NOAA is required. A NOAA is required since benefits will decrease and this is not one of the situations listed as an exception to sending the NOAA. Along the same lines, there's also been confusion on whether a NOAA is needed if a client applies in another county when the new county calls to request closure of the case. A NOAA is not needed in this situation nor is a written statement from the client requesting termination. Send a DSS8632 Notice of Termination based on the client's move to another county. Keep in mind that a SR HH can continue to receive benefits from the original county until the end of the certification period – they should be made aware of this policy prior to applying so they can make an informed decision. The client's signing of the DSS8207 is all that is necessary.

Manual References: 450.05A5, 450.09A, 635.04D, 635.06A

450.05 Changes During the Certification Period

A. React to the following changes during the certification period:

5. Removal of a FSU member if the FSU member has applied for separate food stamp benefits or needs to be added to another food stamp case.

450.09 Decrease in Benefits

If the change decreases the benefits, take the following actions.

A. Issue a Notice of Adverse Action, DSS-8553, to reduce benefits within ten calendar days of the change being reported.

635.04 Exceptions to Notice of Adverse Action

Individual Notices of Adverse Action are not required for the following.

D. Household Moves From County or State. Refer to Manual Sections 400 through 550 for purpose of determining the appropriate reporting requirements. When the county receives notification that the household has moved to another county or state, refer to 635.06.

635.06 Confirmation of Voluntary Termination of Benefits (DSS-8632)

Use the Confirmation of Voluntary Termination of Benefits, DSS-8632, to notify a FSU of a proposed reduction or termination of benefits within a certification period when a Notice of Adverse Action is not required.

A. Move from a County or State

When the food stamp caseworker receives notification that the FSU has moved from the county or State, send a DSS-8632, Notice of Termination, no later than the next scheduled issuance date. If the new address is unknown, send the notice to the last known address with a request to "please forward" on the outside of the envelope.

5. Client has a pending application for FNS benefits. Prior to disposition, he reports that he found a job working 40 hours a week for minimum wage. Based on the information provided at application, the HH will be SR. What should the worker do?

a. Advise the client that no changes are reportable when an application is pending. Advise the HH that they have until the 10th of the month following receipt of the Notice of Eligibility to report changes. Disregard the report.

b. Evaluate the income to determine if it will put the HH over the gross income limit. If no, take no action. If yes, take action to deny the application.

c. Include the new wages in determining eligibility effective the month the individual receives his first pay.

It is important to fully explain reporting requirements. When change reporting is discussed, clients should be made aware that nothing is reportable during the application process until the 10th of the month following the month the notice of eligibility is received. Changes that are reported while the application is pending must be included in the eligibility determination. Failure to adequately explain reporting requirements may result in a loss of benefits that wasn't necessary. It also creates unnecessary work for the caseworker. It is inappropriate to advise a HH to report everything so that the worker can decide what has to be reacted to.

Manual Reference: 345.01

345.01 Changes in Situation Reported During Normal Processing Timeframes

During the application/reapplication or recertification interview, it is the interviewer's responsibility to inform households of their responsibility to report changes based on the anticipated recertification category.

An applicant household must report changes which occur after the interview but before the notice of eligibility, by the 10th of the month, following the month in which the notice of eligibility is received. However, when the food stamp unit (FSU) reports a change or a change becomes known after the interview is conducted, but prior to disposition of the application and the change is an eligibility requirement, take the following actions:

A. Evaluate the changed information. Use a DSS-8650, Notice of Information Needed, to request additional information. Allow the FSU ten calendar days to provide the needed information.

B. Screen for expedited service. If eligible for expedited services, see Section 320.

C. Include the changed information when determining eligibility.

6. Standard case – HH includes an ABAWD: Client reports his VA benefits have increased \$75 per month. What should the worker do?

- a. Evaluate the change in income. If the HH remains eligible, take no action since the change in income was less than \$100 making it a non-reportable change. If over the gross income limit, initiate action to close the case.
- b. Take no action since the change was not reportable.
- c. Take the client's statement regarding the change and initiate action to count the increased VA benefits.**

This is another example of the importance of fully explaining reporting requirements. Because the change was reported, action must be taken to reduce the benefits even though it wasn't reportable. Unearned income changes of \$100 or less are not reportable for standard and simplified households. Also, it is acceptable to take the client's statement when it results in a decrease in benefits. Just be sure to verify the change at the next recertification. Take advantage of this opportunity to decrease your workload by accepting clients' statements whenever policy allows.

Manual Reference: 400.04B and 400.09 A & C

400.04 County Responsibilities

The county agency has the following responsibilities regarding changes that occur to Standard Recertification FSU's:

B. Take action on reported changes listed in 400.03 within ten calendar days of the date of the report. **See exceptions in 400.05.** This includes changes of \$100 or less in earned and changes of \$100 or less in unearned gross monthly income.

400.09 Decrease in Benefits

If the change decreases the benefits, take the following actions.

- A. Issue a Notice of Adverse Action, DSS-8553, within ten calendar days of the change being reported. Verification of the change is not required prior to issuing the notice.
- C. Obtain required verification no later than the next recertification. Refer to the appropriate manual section for verifications needed to process the change.

7. SR: Voicemail message left reporting husband has found a job. What should the worker do?

- a. Send a DSS8650 requesting completion of a wage form to determine if the change is reportable. If over the gross income limit, initiate action to close. If not over the gross income limit, take no action.
- b. Attempt contact with the household to gather additional information regarding employment to determine if the change is reportable. If unable to contact via phone, send a DSS8650 to request information regarding the number of hours, rate of pay etc. If household responds, take their statement regarding the employment to determine the impact on the benefit amount. If over the gross income limit, initiate action to close. If not over the gross income limit, take no action. If household fails to respond to the request for information, initiate termination by sending a NOAA.**
- c. Send an effect of change form advising client no action will be taken but to report when wages received in a month exceed 130% limit for their household size.

If you do not have sufficient information to determine the impact of the change, contact with the household is necessary. This is considered a change with an unknown effect. Since we are allowed to take a client's statement regarding the change, attempt contact by phone first – actual verifications are not required. It's important to understand that the change report should be disregarded when sufficient information is given to determine that the increased income will not cause the HH to exceed the gross income limit. There's no requirement to request any information – just document the file to ensure the change is addressed at the next recertification.

Manual Reference: 450.12 A - C

450.12 Changes with Unknown Effect

If the FSU provides information during the certification period about changes in their household's circumstances, attempt to determine the effect of the change on the FSU's eligibility. Determine if the change is increased income that exceeds 130% of the federal poverty guideline. If this cannot be determined, take the following actions.

- A. Give or mail the Notice of Information Needed, DSS-8650, to the FSU. Allow ten calendar days for the FSU to provide the requested verification.
- B. If the FSU responds to the Notice of Information Needed, DSS-8650, but refuses to provide sufficient information to determine eligibility or benefit level, issue a Notice of Adverse Action, DSS-8553, to close the case.
- C. If the FSU fails to respond to the Notice of Information Needed, DSS-8650, issue a Notice of Adverse Action, DSS-8553, to close the case.

NOTE: If the change does not relate to increased income that could exceed the 130% limit, disregard the change.

8. SR: Receive a DSS2625 from ESC reporting an individual is employed, working 40 hours per week at \$6.15 an hour. What should the worker do?

a. Initiate action to count the wages because information received from ESC is considered verified upon receipt. If over the gross income limit, initiate action to close. If not over the gross income limit, initiate action to decrease the benefits.

b. Determine if the change is reportable. If reportable, contact the household to determine if the information provided by ESC is correct. Send a DSS8650 if unable to reach the HH by phone. If the report from ESC is accurate, evaluate the impact. If over the gross income limit, initiate action to close. If not over the gross income limit, take no action other than deregistering the individual from E&T.

c. Send a DSS8650 requesting completion of a wage verification form. Evaluate the impact of including the wages. If not over the gross income limit, take no action. If over the gross income limit, initiate action to close.

ESC is considered a third party verification source when providing information other than compliance information. Assess the information to determine if the change will put the HH over the gross income limit making the change reportable then proceed in verifying the validity of the information. If not, document the change and address at recertification.

Manual Reference: 450.05A8, 450.14 A & B

450.05 Changes during the Certification Period

A. React to the following changes during the certification period:

8. A change that is considered **verified upon receipt**.

Verified upon receipt means that information:

a. Is not questionable, **and**

b. The provider is the primary source of the information as follows:

(4) Employment and Training (E&T) compliance information, received from ESC

450.14 Changes Reported by a Third Party Source

When unverified information is received from a third party source such as through a Quality Control alert or an anonymous caller, take the following actions.

A. Determine if the information is a reportable change according to the guidelines in 450.05. Do the following if the change is reportable:

1. If the new information is different from what the FSU last reported, contact the FSU by phone, and give them the opportunity to resolve the discrepancy.

2. If it is determined, as a result of this call, that the third party information is not valid, take no further action.

3. If the caseworker is unable to reach the FSU by making at least two phone calls (or if the FSU does not have a phone or message contact number), or the discrepancy was not resolved during a phone conversation, determine whether additional information is needed or if verification is required. If information or verification is needed, send the FSU a Notice of Information Needed, DSS-8650.

4. Give or mail the Notice of Information Needed, DSS-8650, to the FSU. List the information that was reported, and give the FSU a chance to resolve the discrepancy by submitting the verification. Do not restrict the FSU to provide any specific type of verification. Allow the FSU to provide any reasonable documentary evidence or collateral contact. Allow ten calendar days for the FSU to provide the requested verification.

5. If the FSU responds to the Notice of Information Needed, DSS-8650, but refuses to provide sufficient information to determine eligibility or benefit level, issue a Notice of Adverse Action, DSS-8553, to close the case.

6. If the FSU fails to respond to the Notice of Information Needed, DSS-8650, issue a Notice of Adverse Action, DSS-8553, to close the case.

B. Do not react to the change unless the change is a reportable change per 450.05.

9. SR: Boyfriend and girlfriend are living together and claiming separate HHs. Girlfriend, who is pregnant, is receiving FNS benefits. Girlfriend calls to report that the baby has been born and she wants to add the baby to her FNS case. What should the worker do?

a. Question the client regarding household composition. If it is determined that the father of the baby is in the home, he becomes a required member of the household. Evaluate the new HH members to establish their eligibility and the impact of adding them. If benefits decrease, take no action. If benefits increase, initiate action to add them by sending a DSS8650. If over the gross income limit, initiate action to close.

b. Initiate action to add the baby since it would result in an increase in the allotment.

c. Initiate action to add the baby and father regardless of the impact since they are required household members.

Effective 2/1/07, policy changed requiring a comprehensive assessment when a client reports a change in household composition. We must look at the entire household to determine which members are required to be included in the FNS case. Once the FNS unit is determined, evaluate the impact of adding the new members considering their eligibility status (eligible, ineligible or disqualified), income and resources.

Manual Reference: 450.06B

450.06 Reacting to Changes

B. Determine if the change affects eligibility or benefits.

Note: When a household reports a change in household composition, evaluate and determine:

1. The total number of people who live in the residence, their relationship to each other, and their ages; and
2. If the new individual is a required member; and
3. If any income of the new individual is countable; and
4. If the new gross income limit exceeds the income limit for the FSU size prior to the new individual; and
5. The new FSU size; and
6. The new gross income limit for the new FSU size; and
7. If the benefits will increase or terminate.

Example: SR FSU of one, has baby and reports newborn in the household. Client is asked about other household composition changes since recertification and determines that the father of the child is in the home. The father of the child is a required FSU member. It is determined that the father of the child has countable income. It's determined that the new gross income limit of the household exceeds the income limit for three. A Notice of Adverse Action is completed to terminate the case.

SR policy overrides policy in Section 210.03, Individuals Who Must Be Included In The Same FSU when inclusion of the new household member results in a decrease in the benefits of the household prior to the evaluation of new individuals.

10. SR: Client reports an increase in her rent. She has not moved. What should the worker do?

a. Initiate action to verify the new expense by sending a DSS8650. If verification is provided, take action to increase the benefits. If verification is not provided, take no action.

b. Determine if the change in rent is associated with a change in earned income. If not, take no action. If yes, initiate action to verify the new expense by sending a DSS8650. If verification, is not provided, take no action.

c. Initiate action to verify the new expense by sending a DSS8650. If the HH fails to provide the verification, send a NOAA for failure to provide.

An increase in rent is not a reportable change; however, it may result in increased benefits. Changes that increase benefits must be verified. It is important to remember that a NOAA is not appropriate when the HH fails to provide requested information for a change that would result in increased benefits. No action would be taken other than documenting the report. When the requested verification is provided – be sure to determine if it was provided timely or untimely because that determines the effective date for increasing the benefit amount.

Manual Reference: 450.10

450.10 Increase in Benefits

If the change increases the benefits, take the following actions.

A. Obtain the required verifications. Refer to the appropriate manual section for verifications needed to process the change.

B. If the required verifications are not readily available, give or mail the Notice of Information Needed, DSS-8650, to the FSU. Allow ten calendar days for the FSU to provide the requested verification.

1. If the FSU provides verification within the allowed time period, take action on the change to provide benefits.

2. If the FSU fails to provide the required verification within the allowed time period but does provide the verification at a later date, the time frame for acting on the change will run from the date verification is provided rather than from the date the change is reported.

3. If a FSU reports a change that results in an increase in benefits but fails to provide the requested verification, **do not terminate the case for failure to provide verification.** Take no action to increase the allotment. Document in the case file the reason the reported change was not processed.

C. When verification is provided timely, make the change effective the month following the month the change is reported to the county.

Example: A FSU reports their income decreased by \$30 on May 15 and provides verification on May 25. The caseworker increases the FSU's June allotment.

Example: A \$50 decrease in income is reported and verified on May 28, increase the FSU's June benefits. If the change is acted on after May 31, use the Transaction Authorization, DSS-8593, to issue June benefits.

D. When verification is not provided timely, delay the increase in benefits. If verification is subsequently provided, make the change effective the month following the month in which the verification is provided.

Example: A FSU reports their income decreased on May 15; the verification is provided on June 25th. Increase the FSU's July allotment.

E. If there is not a sufficient amount of time to increase the benefits, issue a supplement for the amount of the increase by the tenth of the following month. Issue a supplement via a Transaction Authorization, DSS-8593. Refer to Section 905, Restoration of Lost Benefits.

F. Notify the FSU of the new benefit amount via the DSS-8562, Effect of Change.

11. SR: DSS8194 received from WF reporting termination of WF because the client failed to sign the Mutual Responsibility Agreement (MRA). What should the worker do?

- a. Take no action since the FNS household is not entitled to more benefits when a WF sanction is imposed.
- b. Remove the WF payment and increase the FNS allotment. The household is not eligible for transitional because the case closed due to a sanction.
- c. Remove the WF payment amount and evaluate the case for transitional.**

A client's signing of the MRA is an eligibility requirement. Failure to sign the MRA is not considered a sanction; therefore, the case is eligible for TFS assuming one of the other exceptions is not met. Good communication is critical between the FNS and WF units. If 8194s don't give you sufficient information to determine the cause of the termination, contact the WF worker. If non-timely notification from WF is an issue, you can monitor WF closures by pulling the Data Warehouse report entitled "EIS Daily Transfers and Terminations for Active FS Cases". This report must be run during the last three work days of the month; otherwise, the data is lost.

Manual Reference: 550.02A, WF Manual – WF120 – Sanctions, WF103 Personal Responsibility
550.02 Transitional Food Stamp Benefits Eligibility

A. There are only a few situations in which a household cannot receive TFS. Those situations are as follows:

- 1. The FSU contains a member who is currently disqualified from the Food Stamp Program and/or WFFA; **or**
- 2. The FSU loses WFFA for any of the following reasons:
 - a. The WFFA case closes due to a sanction; **or**
 - b. The WFFA Unit moves out of North Carolina; **or**
 - c. The WFFA Unit moves to another county in North Carolina; **or**
 - d. The FSU was receiving more than one WFFA payment prior to the WFFA termination and at least one WFFA payment is still being received.
- 3. The FSU is over the Food Stamp gross income limits due to the loss of categorically eligible status.
- 4. The WFFA case is approved as a Benefit Diversion case.

WF120 – Sanctions

I. Background

Work First participants may be sanctioned for a number of reasons related to non-compliance with program requirements.

The four categories of non-compliance are:

- 1. Failure to cooperate with Child Support Enforcement
- 2. Non-compliance with the provisions of the MRA
- 3. Failure to participate in required substance abuse treatment (See Section 104B)
- 4. Intentional Program Violation (IPV) (See Section 207.)

While the goal of Work First is not to sanction families, sanctions are used to emphasize and promote the importance of personal responsibility. A family under sanction remains eligible for Work First services.

WF103 - Personal Responsibility

Signing the MRA -- including updates and revisions -- is an eligibility requirement for Work First. A family is not eligible for Work First cash assistance unless the parent(s) or caretaker(s) signs.

12. Standard: Client reports finding employment on 11-9. Action is taken on 11-15 to include the wages. The category of recertification will change to SR based on the earned income. The NOAA expires on 12-3 and the allotment will reduce to \$35 effective January. On 12-15, the client reports a friend has moved in and that they eat and prepare together. What should the worker do?

a. Initiate action to add the friend to the case regardless of the impact. The change in household composition must be reacted to because the case is a standard.

b. Determine the impact of adding the friend to the SR case. If the HH is over the gross income limit, initiate action to close. If adding the individual results in an increase, initiate action to add him on by sending a DSS8650. Send a NOAA to terminate if the HH fails to provide requested verifications. If adding the individual results in a decrease, take no action.

c. Determine the impact of adding the friend to the SR case. If the HH is over the gross income limit, initiate action to close. If adding the individual results in an increase, initiate action to add him on by sending a DSS8650. If the HH fails to provide necessary verifications to add the individual to the case, take no action. If adding the individual results in a decrease, take no action.

When the category of recertification is affected – the category isn't considered changed until the month the benefits are affected or the month following the month field 13 changes if the benefits aren't affected. In this situation, the case won't change to SR until January; therefore, the report of the new household member must be reacted to as this is a reportable change for a standard case.

Manual References: 400.03D and 400.06D

400.03 Standard Recertification Category Change Reporting Requirements

The change reporting requirements for all FSU's subject to Standard Recertifications are as follows:

D. Changes in the FSU size and household composition. This includes changes in the status of ineligible household members, such as students, ABAWDS, and disqualified persons;

400.06 Reacting to Changes

React to all changes listed in 400.03 within 10 calendar days of the reported change.

D. Send the FSU the appropriate Change Report Form (DSS-8550 or DSS-8550SR) when reacting to a change that affects the category of recertification.

The category is considered changed:

1. The month benefits are affected; or
2. The month following the month the "RECERT STAT" code changes in Field 13 of the DSS-8590 if benefits are not affected.

13. SR: Client reports her 5 year old step-sister has moved into the home and requests that she be added to the case. The step-sister receives SSA benefits from her deceased father. The step-sister's mother who is not in the home is the payee for the SSA. The payee spends all of the SSA on behalf of the step-sister. What should the worker do?

a. Add the step-sister to the case since it results in an increase in benefits. The step-sister's mother does not give any of the SSA to either the sister or the client.

b. Evaluate the impact of adding the step-sister and her income. Determine if the change is reportable. If reportable and over the gross income limit for the new FNSU size, initiate action to close. If adding the step-sister results in an increase, send a DSS8650 to request the necessary verifications to add her on. If adding the step-sister results in a decrease, take no action.

c. Add the step-sister and the SSA regardless of the impact since she is a required HH member.

The initial step determines if the step-sister is a required FNSU member. Since she would be a required member, then a determination is needed to see if the change is reportable. Does adding the step-sister and her income put the HH over the gross income limit for the FNSU size prior to the new member? If yes, then the change is reportable. Evaluate the impact of adding the step-sister and the SSA to determine how to act. If over the gross income limit for the new FNSU size, initiate action to close. If benefits will increase, initiate action to add her on by sending a DSS8650. If benefits decrease, take no action. The SSA income is considered to be the income of the beneficiary – in this case the step-sister. All the SSA is countable to the step-sister when the SSA is being spent on her behalf. There is an exception and that is when the payee is using a portion or all of SSA for herself. Deduct the amount being spent by the payee for herself from the total SSA. It is not a situation where we only ask "How much money does your mother give to you for your step-sister? or Or how much is given directly to the step-sister?"

Manual References: 265.29, 450.06B and Help Desk Ticket 13112

265.29 Representative Payments

A. Representative payments are monies received and intended to be used for the care and maintenance of a third party who is not a FSU member.

B. If a single payment is intended for both FSU and non-FSU members, any identifiable portion of the payment intended and used for the care and maintenance of the non-FSU member is excluded as a representative payment.

C. If the non-FSU member's portion cannot be readily identified, evenly prorate the payment among the intended FSU and non-FSU members and count the prorata share for all FSU members.

D. Any money intended for a third party but used by an FSU member will be counted as unearned income to the FSU.

450.06 Reacting to Changes

B. Determine if the change affects eligibility or benefits.

Note: When a household reports a change in household composition, evaluate and determine:

1. The total number of people who live in the residence, their relationship to each other, and their ages; and
2. If the new individual is a required member; and
3. If any income of the new individual is countable; and
4. If the new gross income limit exceeds the income limit for the FSU size prior to new individual; and
5. The new FSU size; and
6. The new gross income limit for the new FSU size; and
7. If the benefits will increase or terminate.

SR policy overrides policy in Section 210.03, Individuals Who Must Be Included In The Same FSU when inclusion of the new household member results in a decrease in the benefits of the household prior to the evaluation of new individuals.

C. Follow procedures in Sections 450.07 through 450.14 when reacting to changes.

14. SNAP: Medicaid reports to FNS that the client has been placed in a rest home. What should the worker do?

- a. Initiate action to close the case since the client is institutionalized.
- b. Contact the client to verify her living arrangement since Medicaid is considered a third party. If institutionalized, initiate action to close. If not institutionalized, take no action.
- c. Take no action until the case appears on the SLA515-01, SNAP Cases Requiring Action or Closure Report or the client or authorized representative reports the change.**

SNAP policy is very clear that we do not react to third party reports. We act on changes listed on the SLA515-01 Report and those that affect SNAP eligibility when reported by the client or authorized representative. Keep in mind that there are no reporting requirements for SNAP and we should not be initiating contact with SNAP households to verify third party information.

Manual References: 600.07 and 600.08

600.07 Change Reporting Requirements

Households are not required to report changes as the SDX update process meets reporting requirements. However, if an individual reports a change that affects the SNAP benefit amount or eligibility; react to the reported change within 10 calendar days. A SNAP Report (SNAP Cases Requiring Action or Closure By County) is produced monthly in NCXPTR identifying cases requiring action or closure. Changes identified on the SNAP Report require action within 10 calendar days. Do not react to SDX sheets, unless a change of address is reported for the individual. React to all other changes when they appear on NCXPTR Report SLA515-01, Cases Requiring Action or Closure.

600.08 Reacting to Changes

React to changes that impact the eligibility for SNAP or the benefit amount. NCXPTR Report SLA515-01, SNAP Cases Requiring Action or Closure, must be worked monthly. Do not react to changes reported by a third party.

15. SR: DSS8194 received indicating WF has terminated because all the children have been placed in foster care. The only other FNS household member is the payee who is an ineligible alien. What should the worker do?

a. Send the case to transitional making no changes other than removal of the WF payment.

b. Initiate action to close the case as there are no eligible members.

c. Send the case to transitional, deleting the children and WF payment.

This household is eligible for TFS. This situation is not listed as one of the exceptions in 550.02. Even though the children have been removed from the home, they remain on the TFS case until the end of the certification or an application is made for them. Send the case to transitional, removing the WF income.

Manual References 550.02A & B6

550.02 Transitional Food Stamp Benefits Eligibility

A. There only a few situations in which a household cannot receive TFS. Those situations are as follows:

1. The FSU contains a member who is currently disqualified from the Food Stamp Program and/or WFFA; **or**
2. The FSU loses WFFA for any of the following reasons:
 - a. The WFFA case closes due to a sanction; **or**
 - b. The WFFA Unit moves out of North Carolina; **or**
 - c. The WFFA Unit moves to another county in North Carolina; **or**
 - d. d. The FSU was receiving more than one WFFA payment prior to the WFFA termination and at least one WFFA payment is still being received.
3. The FSU is over the Food Stamp gross income limits due to the loss of categorically eligible status.
4. The WFFA case is approved as a Benefit Diversion case.

B. The following policies and procedures are important when transferring cases to TFS:

6. Do not budget new or increased income that made the FSU ineligible for WFFA. Use the prior month's food stamp budget less the WFFA payment to determine the TFS benefit amount.

As you can see, this illustrates the fact that several pieces of policy are often needed to determine what action to take. You must be familiar with policy and recognize that it's unlikely you'll find the answer to "how to react" by looking in just one place in the manual. The process of reacting to changes did become more complicated when the different categories of recertifications were introduced in policy. This in turn may increase the amount of time spent going through the assessment of whether or not action is necessary. It's time that must be spent in order to issue correct benefits.

Questions??